



BCMS  
**Crosslinks**

# Report & Financial Statements

For the year ended 31 December 2020

**Company Registration No. 00193144**  
**Charity Registration No. 1164474**

- **Charity information: page 2**
- **Trustees' annual report: page 3-8**
- **Independent auditor's report: Page 9-11**
- **Statement of financial activities: page 12**
- **Balance sheet: page 13**
- **Statement of cash flows: page 14**
- **Notes to the financial statements: page 15-27**
- **Acknowledgements: page 28**

**Charity information**

---

|                               |                                                                                                                                                                                                                                                                    |                                                                                                                              |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| <b>Company No.:</b>           | 00193144                                                                                                                                                                                                                                                           |                                                                                                                              |
| <b>Registered Charity No:</b> | 1164474                                                                                                                                                                                                                                                            |                                                                                                                              |
| <b>Principal address</b>      | 251 Lewisham Way, London SE4 1XF                                                                                                                                                                                                                                   |                                                                                                                              |
| <b>President</b>              | Mr. David Mills MBE                                                                                                                                                                                                                                                |                                                                                                                              |
| <b>Mission Director</b>       | Mr John McLernon                                                                                                                                                                                                                                                   |                                                                                                                              |
| <b>Trustees</b>               | Rev. Neil Barber<br>Mrs. Sue Bennett<br>Rev. Stephen Boon<br>Rev. Alastair Donaldson<br>Rev. John Hamilton<br>Rev. Timothy Houghton<br>Ms. Deborah Kelly<br>Rev. Les Jesudason<br>Mrs. Alison Miller<br>Rev. Philip Parker<br>Miss Alex Weston<br>Mr. Nick Winther | (resigned 21 May 2020)<br>(Deceased)<br><br><br><br>Chairman<br><br><br><br><br><br>(resigned 17 June 2021)<br><br>Treasurer |
| <b>General Synod</b>          | Rev. Mark Lucas                                                                                                                                                                                                                                                    | General Synod representative Co-opted                                                                                        |

**The Mission Director and General Synod representative are non-voting members of the Board of Trustees. Other senior staff present by invitation.**

|                            |                                                                                                                                                                                                                            |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Bankers</b>             | Lloyds TSB Bank Plc, 1 Butler Place, PO Box 132 Coxton Street, London SW1H 0PR<br><br>Allied Irish Bank, 40-42 Ranelagh, Dublin 6 Republic of Ireland<br><br>Danske Bank, Donegall Square North, Belfast. Northern Ireland |
| <b>Independent Auditor</b> | Mazars LLP, 2 <sup>ND</sup> Floor, 6 Sutton Plaza, Sutton Court Road, Sutton SM1 4FS                                                                                                                                       |
| <b>Solicitors</b>          | Lewis & Dick, 443 Kingston Road Ewell, Surrey KT19 0DG                                                                                                                                                                     |
| <b>Investment Manager</b>  | Brewin Dolphin Securities Limited, 12 Smithfield Street, London EC1A 9BD                                                                                                                                                   |



The Trustees present their report and financial statements for the year ended 31 December 2020.

### **Structure, governance and management**

Crosslinks is a company limited by guarantee (No. 00193144) which was incorporated on 18 October 1923 and registered as a charity on 19 November 2015 with charity registration number 1164474. The historic role of Crosslinks was to hold property for Crosslinks Bible Churchmen's Missionary Society as bare trustee.

Any individual can become a member of Crosslinks, if prepared to sign his or her agreement with the basis of the Society, and to signify support for Crosslinks by prayer and gifts for at least a year. The number of members at December 2020 was 826 (2019: 840). Crosslinks also has a number of friends, in 2020 there were 392 friends (2019: 419), with an unquantified number of other individual supporters.

A maximum of 13 individuals make up the Board of Trustees, of whom 8 are elected on a 5 year cycle by members of Crosslinks prior to the Annual General Meeting normally held in June. Trustees can be elected for up to two periods of 5 years, after which there must be a gap of at least one year before being eligible to stand again for election. Profiles of members standing for election are sent to all members prior to the Annual General Meeting. The Board of Trustees may co-opt up to four members in addition to the eight elected members and care is taken to ensure there is a balance of skills and representation on the Board of trustees.

During the year various aspects of the activities of Crosslinks are presented to the Board of Trustees so they gain a more in-depth appreciation of the work. The Board of Trustees normally meets five times a year.

The Board of Trustees is responsible for the strategy and direction of Crosslinks, guarding its doctrinal position in the Christian world and monitoring performance on a regular basis, under the spiritual leadership of the Mission Director. The Mission Director (MD), with the assistance of the staff, is responsible for the day to day running within the policies set by the Board of Trustees.

### **Selection and Induction of Trustees**

To be a trustee of Crosslinks, members are nominated by five current members (one of whom must be a trustee), and must sign the Basis of the Society. If there are more candidates standing than vacancies on the Board of Trustees an election is held, with all current voting members entitled to vote. New Trustees are announced at the Annual General Meeting. Once a Trustee is elected they are introduced at the first Board of Trustees meeting, and provided with the necessary background papers and briefings.

### **Responsibilities of the trustees**

Charity law requires the Trustees to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of Crosslinks and of its income and expenditure for the financial year. In preparing financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the principles and methods of the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in operation;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Crosslinks and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of Crosslinks and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees set the remuneration of the Senior Leadership Team, and decide any cost of living increase to be granted to the whole of the UK staff on an annual basis each November.

Each trustee, as at the date of this report, has confirmed that insofar as they are aware there is no relevant information (that is information needed by the charity's auditors in connection with preparing this report) of which the charity's auditors are unaware and they have taken the reasonable steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

### **Public benefit**

The Trustees have complied with their duty as per the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission.

The Society advances religion for the public benefit by serving churches and individuals in the proclamation of the good news of the Christian gospel, in Britain, Ireland and around the world. We believe it is of eternal benefit to all people to have the opportunity to hear and respond to the invitation of salvation from our loving God.



**Trustees' annual report for the year ended 31 December 2020 (continued)**

The ways in which the Society seeks to serve churches and individuals in this endeavour are:

- Long-term through mission partners, associate mission partners and associate church planters.
- Short-term through team and individual placements, camps in Ireland and through the schools of biblical training.
- Through partnership with locally proposed mission projects and our bursary programme enabling the training of local pastors.

In each of these three areas there are clear ways in which each seeks to proclaim the good news of the Christian gospel through the lens of our two fundamental priorities of evangelistic (i.e. gospel) opportunities and training trainers.

**Fundraising Policy**

Crosslinks sees itself as a voluntary society of members, who make up the membership of the limited Company.

Crosslinks does not therefore raise funds direct from the public, but receives all of its income from members, individual supporters, churches, trusts, and it also receives legacies from past supporters and members.

Requests for financial support are made to the above groups, on the basis that they have already expressed an interest in the work of Crosslinks. Crosslinks does not contract with any third party for any fundraising activity. Crosslinks is registered with the Fundraising Regulator as well as the Fundraising Preference Service.

Any requests for support are carefully vetted by the Crosslinks team leadership, so that no undue pressure is put on any individual, whether vulnerable or not, and there is no unreasonable intrusion on an individual's privacy.

**Reserves policy**

Crosslinks should hold a level of unrestricted reserves equivalent to at least six months of the current year's expenditure, which amounts to £1,797,392.

The unrestricted reserves at 31 December 2020 were £2,290,586 which is 27.44% above the stated policy level.

**Investment policy**

The historic assets of Crosslinks have been used to hold properties for the accommodation of senior staff, and for the two offices in London and Belfast, from which the Society has carried out its ministry of taking God's word to God's world. In addition the resources of Crosslinks have also been held to provide working capital to meet the demands of the ministry throughout the year, but also to meet the current long term liabilities of two historic pension schemes – the 'unfunded scheme' which gave rights to staff and mission partners serving in the 1960's to 1980's, and the Church Workers Pension Fund Defined Benefit Scheme which was closed in 2012 (See note 14).

Spare resources not needed for these requirements have been invested, and the trustees have delegated the day to day management of this general investment portfolio to Brewin Dolphin Securities Ltd (See page 2).

Brewin Dolphin have the authority and discretion to make investment decisions within the stated objectives of capital growth, a long term time horizon of at least 10 years, and with a risk category commensurate with this capital growth objective. The Treasurer and Company Accountant are in regular communication with Brewin Dolphin to monitor performance.

At the year end the portfolio held 75.5% equities, split between UK and international equities, 13.3% in fixed income, 1.1% in cash and 10.1% in alternatives.

**Risk management**

The Trustees have a risk management strategy which comprises:

- An annual review of the risks Crosslinks may face;
- The establishment of systems and procedures to mitigate those risks identified in a risk register;
- The implementation of procedures designed to minimise any potential impact on Crosslinks should these risks materialise.

The trustees aim to review a section of the Risk Register at each of its meetings.

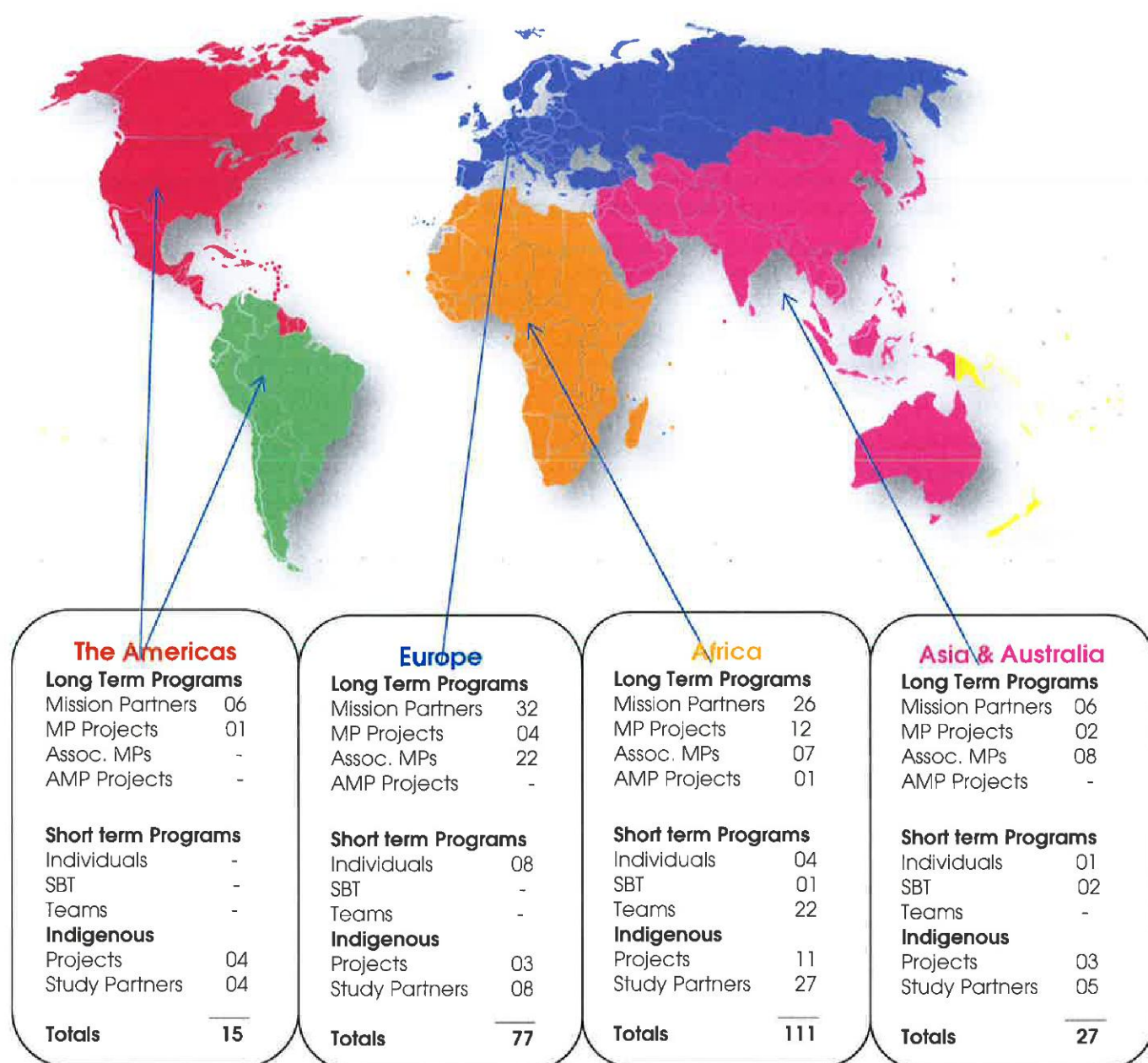
Risk is considered under the following 8 headings:

- 1) Governance risks, associated with the lack of strategic direction or distinctive ethos.
- 2) External risks
- 3) Personnel risks – Team leaders with the loss of key personnel in the UK or overseas.
- 4) Personnel risks – other staff.
- 5) Mission Partnership Team risks.
- 6) Mission Personnel Team risks, associated with all the means of mission deployed globally.
- 7) Financial risks, linked to the long term support of this work.
- 8) Operational risks, associated with threats to the two UK offices in London and Belfast, including IT threats.

Following Brexit, the Board of Trustees and the leadership team has considered regularly the implications of Brexit on the work of the Society, particularly in Europe.

### 2020 Mission Activities

Crosslinks is currently working in 5 continents, and across all of our means of mission as can be seen by the tables below.



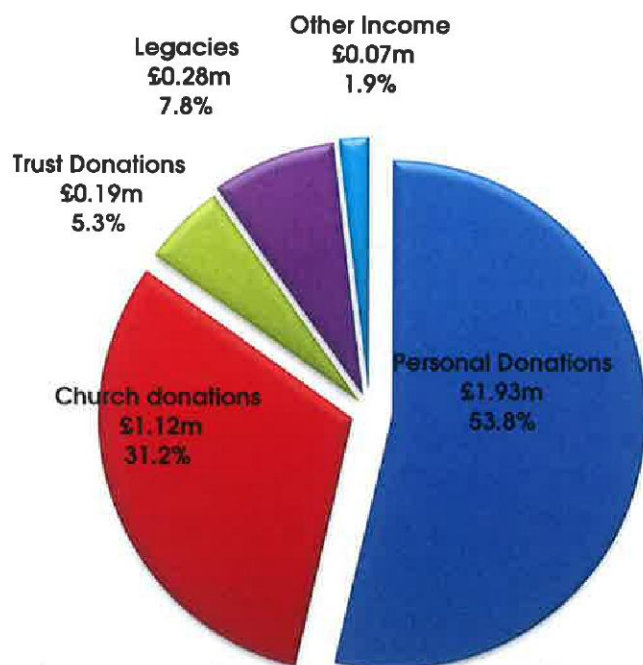
### 2019 Mission Activities

| The Americas | Europe    | Africa    | Asia & Australia |
|--------------|-----------|-----------|------------------|
| Total 11     | Total 101 | Total 153 | Total 28         |

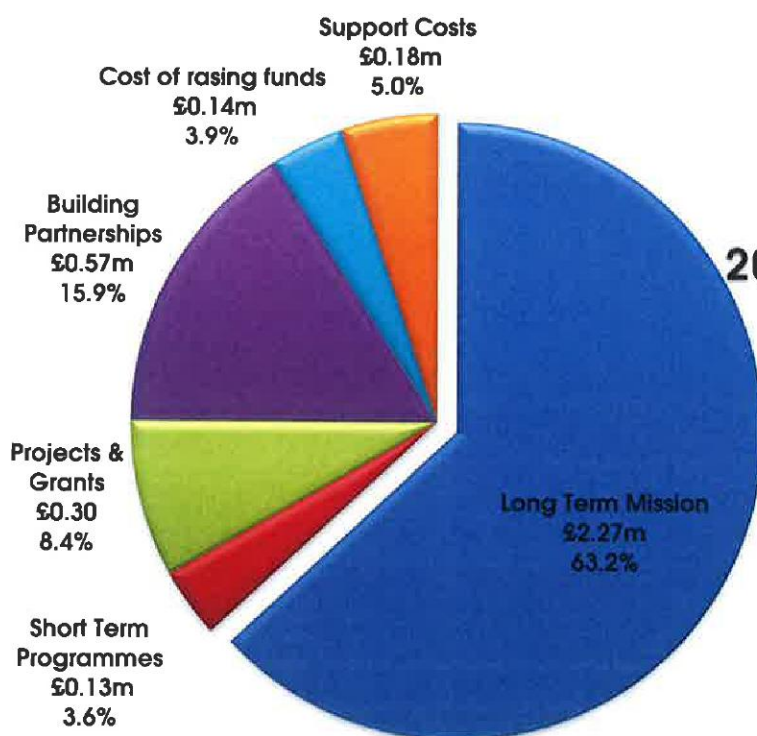


**Finance Overview**

In 2020 Crosslinks operated in 5 continents across the globe, taking *'God's word to God's world'* in Europe, Asia & Australasia, Africa and The Americas. During the year we have been encouraged by the support of our Members, Churches, Trusts, individuals and the legacies that we have received. This year Crosslinks received £3.59m against expenditure of £3.59m, an operating surplus of £89k on the year's operating activities.

**2020 Donations £3.59m**

- Personal Donations £1.93m (53.8%)
- Church donations £1.12m (31.2%)
- Trust Donations £0.19m (5.3%)
- Legacies £0.28m (7.8%)
- Others £0.07 (1.9%)

**2020 Expenditure £3.59m**

- Long Term Mission £2.27m (63.2%)
- Short Term Programmes £0.13m (3.6%)
- Projects & Grants £0.30m (8.4%)
- Building Partnerships £0.57m (15.9%)
- Cost of raising funds £0.14m (3.9%)
- Support Costs £0.18m (5.0%)



## **Financial review**

Income totalled £ 3,596,115 which was £ 663,032 lower than 2019 (£ 4,259,147), a decrease of 15.57% on 2019.

Donations from individuals relating to continuing support amounted to £ 1,927,660 a decrease of £ 316,577 on 2019 (£ 2,244,237). Donations from churches of £ 1,122,163 showed a decrease of £ 23,261 on 2019 (£ 1,145,424).

Legacies received in the year amounted to £ 286,039 (2019: £ 283,798), which is in line with 2019.

Trust Income received in the year amounted to £ 190,975 (2019: £ 354,813).

Expenditure amounted to £ 3,594,785 which was £ 319,506 lower than (2019: £ 3,914,290), a decrease of 8.16% on last year.

During the year our investments, held for the provision of historical pensions, gained £ 87,531 (2019: £ 55,741 gain).

The net surplus before actuarial gain/ (loss) on pensions and assets revaluation was £ 88,861 compared to net loss of £ 400,598 in 2019. We are grateful for the continuing support of our members, Churches, Trusts and individuals to Crosslinks.

The value of the investment portfolios increased by 8.659% in 2020 (2019: 10.9% increase) compared to an increase of 10.86% for the FTSE 100 (2019: 12.0% increase). The value of the portfolio at 31 December 2020 was £ 1,013,472 (2019: £ 921,872). This increase on 2019 is due entirely on the gains in the year.

Cash of £ 234,549 at 31 December 2020 (2019: £ 458,675) was held in bank accounts to meet day to day expenditure.

Crosslinks also owns property for its own use as offices or accommodation for its staff. The value of the property portfolio to December 2020: £2,555,000 (2019: £ 1,805,925). This is shown under the heading of Tangible Fixed Assets in the Balance Sheet.

The property in Clonkeen Grove, Dublin has been sold post year end. Its current net book value is £ 484,974. This assets is shown under the heading Investment Properties in current assets on the Balance sheet.

The Investments and Tangible Fixed Assets together more than cover the Long Term Unfunded Pension liability of £ 741,000 and the CEPB pension liability of £1,077,000 as at 31 December 2020.

The cash resources and working capital position at the balance sheet date reflect the benefit of commitments by our supporters to meet their obligations and promises year by year.

The actuarial valuation of the Crosslinks unfunded pension scheme liability has decreased by £ 70,300 (2019: £ 126,200 decrease) and now stands at £ 741,000.

The CEPB Defined Benefit Scheme, was closed in 2012. During the year we paid £ 184,051 to reduce the liability and pay interest and admin costs. The total liability was reduced by £ 96,000 which means the liability now stands at £1,077,000 at 31 December 2020 (2019: £ 1,169,000). The revaluation as at 31 December 2019 as part of the CEPB triennial cycle, has projected an increase in the debt and will require Crosslinks to increase the repayment of its share of the debt. Crosslinks will be required to pay this increase liability from April 2021. Crosslinks has a further pension for which it is responsible, it has only one (1) member and contributions are paid for by the member's church. The legal structure of the scheme is such that if another Responsible Body fails, Crosslinks could become responsible for paying a share of that Responsible Body's pension liabilities. The liability is £ 4,000.

All current and future Mission Partners and UK Staff are now invited to join the Church of England Defined Contribution Scheme (called Pension Builder Classic). This scheme is auto enrolment compliant. Employer contributions are calculated on the basis of 20% of C of E National Minimum Stipend for Mission Partners and 20% of salary for UK Staff.

As a result of the above, the financial statements shows a net reserves position, after provision in full for the future financial impact of pension liabilities, of £2,707,846 (2019: £ 1,918,256).

Against this background, the Trustees remain hugely grateful to God for the continuing support of churches, Individuals and Trusts. The trustees have considered the effect of Covid 19 when making their GC assessment and are satisfied that the careful deployment of our reserves are sufficient to sustain our operations and that we can continue to take God's Word to God's World for the foreseeable future.

## **Going Concern**

The Trustees continue to monitor the issues that affect both the short and long term viability of the Society to ensure that it remains a going concern.

Our careful budgeting and monitoring process ensures that all Mission Partners are fully funded and three year projections provide early warning of any corrective action that is needed. Other mission activities are committed to only on the basis of funds that have been promised and with no financial liability to the Society.

**Going Concern (cont'd)**

There are sufficient funds from projected income and cash reserves, if necessary, to cover the budgeted central operating costs of running the Society for at least the next three years.

In the medium to long term we are addressing the issue of how to fund our central operations. This will be achieved by reducing our costs in the short term and steadily increasing general donations over time. Budgeted payroll costs in 2021 have been reduced compared to 2020 through one redundancy and the non-replacement of three posts that have or will become vacant this year. At the same time we have engaged an external consultant to help increase undesignated income.

**Review of activity and future plans**

2020 can be described as being shaped but not defined by the Covid-19 pandemic. Mission personnel were able to continue with our twin aims of proclaiming the gospel and training others to proclaim the gospel. The office staff team moved to working substantially from home and has adapted to new ways of working.

Rev. Philp Parker was elected and Rev. Les Jesudason re-elected to the board at the Annual General Meeting. There were no other changes to the Board of Trustees.

Rev David Luckman left us after 5 years leading operations in Ireland and we wish him well for the future.

The Mission activities of the Society are summarised geographically on page 6 of these statements and in addition: 4 MPs retired and 7 MPs/AMPs resigned at the end of their deployments throughout the world. 2 MP were deployed around the world.

The trustees are pleased with the progress that continues to be made by Crosslinks mission personnel and projects in ensuring that "God's work goes to God's world"

**In 2021:**

It is expected that there will be changes at Board level with individuals reaching the end of their terms of service, and a small turnover in staff.

**Pandemic (Covid-19) Actions**

Since the beginning of the Covid-19 pandemic, our priority at Crosslinks has been the welfare of our mission partners. Our response has included:

- Monitoring the on-the-ground situation in the 30+ countries where we have workers, in line with FCO and Insurance industry recommendations.
- Repatriating workers for whom returning to the UK is the safest option.
- Advising all our workers on practical matters and safety issues.
- Providing regular pastoral support.
- Arranging online social meetings for the children of Crosslinks workers.
- Helping mission partners support needy people in their communities practically.
- Communicating with friends, family and partners back at home to keep them informed and connected.

The office staff teams have been successfully working from home since the Government Coronavirus regulations were enacted. One member of staff was furloughed because of the Coronavirus and returned to work in September.

1 residential property is being sold as it will no longer be required for staff accommodation.

1 MP will retire during 2021. 4 MPs will deploy during 2021 if sufficient funds are raised. There is a continued flow of enquirers for both long term and short term service.

The trustees and staff continue to be grateful for and dependent upon the Lord's provision for all the Society's needs for another year.

We are grateful to report that there has been no reduction in donations as a result of the coronavirus.

**Auditors**

A resolution will be proposed at the Annual General Meeting that Mazars LLP be appointed as auditors to Crosslinks.

BY ORDER OF THE BOARD



John Hamilton  
Trustee  
251 Lewisham Way  
London SE4 1XF

17th June 2021



**Independent auditor's report to the Members of Crosslinks****Opinion**

We have audited the financial statements of Crosslinks (the 'charity') for the year ended 31 December 2020 which comprise of the Statement of financial activities, Balance sheet, Statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

## **Independent auditor's report to the Members of Crosslinks**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 3, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of Crosslinks and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and the Charities Statement of Recommended Practice.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to use of restricted and endowment funds, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;



**Independent auditor's report to the Members of Crosslinks**

---

- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of the audit report**

This report is made solely to the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:

*N J Wakefield*

Name: Nicola Wakefield, (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

6 Sutton Court Plaza, Sutton Court Road, Sutton, SM1 4FS

Date: *21st October 2021*

**CROSSLINKS Company No: 00193144****Statement of financial activities for the year ended 31 December 2020**

|                                                  | Notes  | Unrestricted<br>£ | Restricted<br>£ | 2020<br>Total<br>£ | 2019<br>Total<br>£ |
|--------------------------------------------------|--------|-------------------|-----------------|--------------------|--------------------|
| <b>Income</b>                                    |        |                   |                 |                    |                    |
| Donations and legacies                           | 2      | 3,129,336         | 397,501         | 3,526,837          | 4,028,272          |
| Investment income                                | 3      | 10,849            | 905             | 11,754             | 13,653             |
| Other income                                     |        | 57,524            | -               | 57,524             | 217,222            |
| <b>Total Income</b>                              |        | <b>3,197,709</b>  | <b>398,406</b>  | <b>3,596,115</b>   | <b>4,259,147</b>   |
| <b>Expenditure</b>                               |        |                   |                 |                    |                    |
| Cost of Raising Funds                            | 4      | 140,799           | -               | 140,799            | 154,435            |
| Charitable activities                            | 5      | 3,034,235         | 419,751         | 3,453,986          | 3,759,855          |
| <b>Total Expenditure</b>                         |        | <b>3,175,034</b>  | <b>419,751</b>  | <b>3,594,785</b>   | <b>3,914,290</b>   |
| Operating Surplus/(Deficit)                      |        | 22,675            | (21,345)        | 1,330              | 344,857            |
| Net gains on investments                         | 10     | 78,871            | 8,660           | 87,531             | 55,741             |
| <b>Transfers</b>                                 |        |                   |                 |                    |                    |
| Transfers between funds                          |        | (11,690)          | 11,690          | -                  | -                  |
| <b>Net Movement in funds after transfers</b>     |        | <b>89,856</b>     | <b>(995)</b>    | <b>88,861</b>      | <b>400,598</b>     |
| Gains on revaluation of property asset           | 9      | 777,856           | -               | 777,856            | -                  |
| Gain on revaluation on investment property       |        | -                 | -               | -                  | 123,543            |
| Actuarial loss on defined benefit pension scheme | 14     | (92,051)          | -               | (92,051)           | (107,051)          |
| Actuarial gain on unfunded pension scheme        | 14     | 14,924            | -               | 14,924             | 62,586             |
| <b>Net Movement of funds</b>                     |        | <b>790,585</b>    | <b>(995)</b>    | <b>789,590</b>     | <b>479,676</b>     |
| <b>Reconciliation of funds</b>                   |        |                   |                 |                    |                    |
| Total funds brought forward                      | 15, 16 | 1,500,001         | 418,255         | 1,918,256          | 1,438,580          |
| Total funds carried forward                      | 15, 16 | 2,290,586         | 417,260         | 2,707,846          | 1,918,256          |

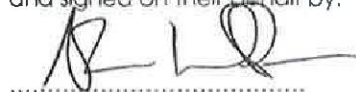
The charity statement of financial activities includes all recognised gains or losses in the year



**CROSSLINKS Company No.: 00193144**  
**Balance sheet at 31 December 2020**

|                                                       | Notes | 2020      |             | 2019      |             |
|-------------------------------------------------------|-------|-----------|-------------|-----------|-------------|
|                                                       |       | £         | £           | £         | £           |
| <b>Fixed assets</b>                                   |       |           |             |           |             |
| Tangible fixed assets                                 | 9     | 2,566,900 |             | 1,822,034 |             |
| Investments                                           | 10    | 1,013,472 |             | 921,872   |             |
|                                                       |       |           | 3,580,372   |           | 2,743,906   |
| <b>Current assets</b>                                 |       |           |             |           |             |
| Debtors                                               | 11    | 332,270   |             | 380,171   |             |
| Investments                                           | 12    | 484,974   |             | 493,514   |             |
| Cash at bank & in hand                                | 21    | 234,549   |             | 458,675   |             |
|                                                       |       | 1,051,793 |             | 1,332,360 |             |
| Creditors – Amounts falling due within one year       | 13    | (106,319) |             | (177,710) |             |
| <b>Net current Assets</b>                             |       |           | 945,474     |           | 1,154,650   |
| Total assets less current liabilities                 |       |           | 4,525,846   |           | 3,898,556   |
| <b>Creditors falling due after more than one year</b> |       |           |             |           |             |
| Provision for Unfunded Pension                        | 14    |           | (741,000)   |           | (811,300)   |
| Provision for C of E scheme                           | 14    |           | (1,077,000) |           | (1,169,000) |
| <b>Net assets</b>                                     |       |           | 2,707,846   |           | 1,918,256   |
| <b>Funds</b>                                          |       |           |             |           |             |
| Restricted                                            | 15    |           | 417,260     |           | 418,255     |
| Unrestricted                                          | 16    |           | 2,290,586   |           | 1,500,001   |
|                                                       |       |           | 2,707,846   |           | 1,918,256   |

Approved by the Trustees on 17<sup>th</sup> June 2021  
and signed on their behalf by:



Mr N. Winther  
Treasurer



Rex J. Hamilton  
Chairman

**Statement of cash flows for the year ended 31 December 2020**

|                                                                      | Notes     | 2020      |                  | 2019      |                |
|----------------------------------------------------------------------|-----------|-----------|------------------|-----------|----------------|
|                                                                      |           | £         | £                | £         | £              |
| <b>Net cash (outflow)/inflow from operating activities</b>           | <b>20</b> |           | <b>(236,559)</b> |           | <b>109,333</b> |
|                                                                      |           |           |                  |           |                |
| <b>Returns on investments and servicing of finance</b>               |           |           |                  |           |                |
| Investment Income                                                    |           | 11,754    |                  | 13,653    |                |
|                                                                      |           |           |                  |           |                |
| Net cash inflow from returns on investments & servicing of finance   |           |           | 11,754           |           | 13,653         |
|                                                                      |           |           |                  |           |                |
| <b>Capital expenditure &amp; financial investment</b>                |           |           |                  |           |                |
| Disposal of investments                                              |           | 76,444    |                  | 348,568   |                |
| Disposal of fixed Assets                                             |           | -         |                  | 161,992   |                |
| Revaluation of Investment Asset                                      |           | 8,540     |                  | -         |                |
| Movement in Cash                                                     |           | 393,145   |                  | -         |                |
| Purchase of fixed assets                                             |           | (3,792)   |                  | (9,819)   |                |
| Purchase of investments                                              |           | (473,658) |                  | (325,049) |                |
|                                                                      |           |           |                  |           |                |
| Cash (outflow)/inflow for capital expenditure & financial investment |           |           | 679              |           | 175,692        |
|                                                                      |           |           |                  |           |                |
| <b>(Decrease)/Increase in cash</b>                                   | <b>21</b> |           | <b>(224,126)</b> |           | <b>298,678</b> |



**Notes to the financial statements for the year ended 31 December 2020**

---

- 1** Crosslinks is a charitable company registered in England and Wales (Co. No. 00193144) and with the charity commission (Charity No. 1164474). The registered address is 251 Lewisham way, London SE4 1XF.

**1.1 Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial Statement are as follows:

**1.2 Basis of accounting**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January, 2015) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Crosslinks meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

**1.3 Going Concern**

The trustee have prepared the financial statement on a going concern basis. The trustees have carefully considered the budgets for the 12 months from the date of signing. The budgets have taken into consideration the impact of Covid-19. The trustees believe that Crosslinks has sufficient funds to meet their liabilities as they fall due.

**1.4 Income**

Income is recognised when the charity has entitlement to the funds and it is probable that the funds will be received and the amount can be measured and is not deferred. Interest receivable is dealt with on an accruals basis. Investment income is dealt with on an accruals basis.

**1.5 Fund accounting**

All funds received by Crosslinks are applied to the support of direct or indirect mission costs in accordance with the objects of the charity. Where applicable, tax is recovered under the Gift Aid scheme.

As a prerequisite of deploying mission partners we seek funding partnerships to support an initial 3 years of living expenses and other costs of mission including central administration. All funds received are managed in the name of the individual Mission Partners or other means of mission, but are held collectively within general unrestricted funds for the benefit of all mission in process at any one time.

**Unrestricted funds**

These are funds which can be used in accordance with the charity's objects at the discretion of the trustees.

**Restricted funds**

These are funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions may arise when specified by the donor or when funds are raised for particular restricted purposes.

**1.6 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be reliably measured. Cost of raising funds - This comprises all costs incurred in attracting voluntary income. Costs of charitable activities - This comprises all costs directly related to the objects of Crosslinks.

**1.7 Depreciation**

Material individual fixed assets are capitalised at cost. Depreciation is calculated to write off the cost of fixed assets in use at the balance sheet date on the basis described in note 9.

Depreciation and surpluses or losses on the disposal of fixed assets used for charitable purposes are reflected in the Statement of Financial Activities before stating net income before transfers. The charity adopts a policy of revaluation for its properties. Further detail is provided in note 9.

**Notes to the financial statements****for the year ended 31 December 2020 (Continued)****1 Accounting policies (continued)****1.8 Pension contributions**

The Society makes use of a defined contribution scheme administered by the Church of England Pensions Board. Contributions payable to the pension schemes are charged to the Statement of Financial Activities so as to spread the cost of pensions over the service lives of employees in the pension scheme. Mission Partners and UK staff who are ordained are members of the Church of England Clergy Pension scheme for whom Crosslinks makes no contributions. See note 15 for further information. Contributions were also paid to The Representative Church Body in Ireland in respect of one member of staff.

The Society also provides unfunded pensions for some former Mission Partners and UK staff (see note 14).

**1.9 Branch offices**

The results for the office in Ireland have been incorporated into these financial statements.

**1.10 Investments**

Investments are stated at market value on the last day of business in the accounting period. Gains and losses on the disposal of investments together with unrealised gains or losses on the annual revaluation are disclosed in aggregate in the Statement of Financial Activities.

**1.11 Operating leases**

Rentals applicable to operating leases where all the benefits and risks of ownership remain substantially with the lessor are charged to the Statement of Financial Activities as incurred over the term of the lease.

**1.12 Foreign currencies**

Transactions in foreign currencies are translated at the rates prevailing at the date of the transaction. Balances denominated in foreign currency are translated at the rate of exchange prevailing at the year end.

**1.13 Critical Accounting Judgements and Estimation Uncertainty**

The directors evaluate estimates and judgements incorporated into the financial statements. Estimates are based on historical information, assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the charity:

**Property Valuations**

Property valuations are based on external valuations performed in 2015. The trustees have considered the valuations and consider them to be the fair value of the properties at the year-end.

**Pension liabilities**

The pension liability is held at the valuation performed at the year-end by external actuaries and the trustees consider this to be a reasonable estimate of the pension liabilities.

**1.14 Support Costs (Note 7)**

The support costs are calculated by removing the costs which relates to the cost of raising funds (Note 4), building partnerships (Note 5), and central support fees from total expenditure of the four UK teams.

**2 Donations & legacies**

|                            | Unrestricted     | Restricted     | 2020<br>Total    | 2019<br>Total    |
|----------------------------|------------------|----------------|------------------|------------------|
|                            | £                | £              | £                | £                |
| Donations from Individuals | 1,709,607        | 218,053        | 1,927,660        | 2,244,237        |
| Donations from Churches    | 958,715          | 163,448        | 1,122,163        | 1,145,424        |
| Legacies                   | 286,039          | -              | 286,039          | 283,798          |
| Donations from Trusts      | 174,975          | 16,000         | 190,975          | 354,813          |
|                            | <u>3,129,336</u> | <u>397,501</u> | <u>3,526,837</u> | <u>4,028,272</u> |



**Notes to the financial statements****for the year ended 31 December 2020 (Continued)****3 Investment Income**

|                                                                | Unrestricted  | Restricted | 2020<br>Total | 2019<br>Total |
|----------------------------------------------------------------|---------------|------------|---------------|---------------|
|                                                                | £             | £          | £             | £             |
| Rental income                                                  | -             | -          | -             | 6,439         |
| UK Stock Exchange dividends                                    | 10,849        | 905        | 11,754        | 7,214         |
| Interest received on cash held as part of investment portfolio | -             | -          | -             | -             |
|                                                                | <u>10,849</u> | <u>905</u> | <u>11,754</u> | <u>13,653</u> |

**4 Costs of raising funds**

|                        | Mission Partnership Team | Ireland       | 2020<br>Total  | 2019<br>Total  |
|------------------------|--------------------------|---------------|----------------|----------------|
|                        | £                        | £             | £              | £              |
| Salaries and pension   | 88,261                   | 38,189        | 126,450        | 129,489        |
| Mission Travel         | 592                      | 7             | 599            | 7,101          |
| Magazines & literature | 12,624                   | 666           | 13,290         | 15,280         |
| Other costs            | 433                      | 27            | 460            | 2,565          |
|                        | <u>101,910</u>           | <u>38,889</u> | <u>140,799</u> | <u>154,435</u> |

The above costs are an estimate of the contribution the Mission Partnerships team and the Ireland team makes to the raising of funds and is a percentage of these two teams' costs.

**5 Charitable activities**

|                                                    | Direct costs     | Admin costs (Note 7) | 2020<br>Total    | 2019<br>Total    |
|----------------------------------------------------|------------------|----------------------|------------------|------------------|
|                                                    | £                | £                    | £                | £                |
| Mission Partners and Associates                    | 2,271,767        | 129,229              | 2,400,996        | 2,600,771        |
| Short-term programmes (Teams & Individuals), camps | 131,149          | 7,460                | 138,609          | 124,031          |
| Projects and grants (Note 6)                       | 203,428          | 11,572               | 215,000          | 254,031          |
| Study Partners and SBT's                           | 93,201           | 5,302                | 98,503           | 117,869          |
| Building Partnerships                              | 568,536          | 32,342               | 600,878          | 663,153          |
|                                                    | <u>3,268,081</u> | <u>185,905</u>       | <u>3,453,986</u> | <u>3,759,855</u> |

The building partnership line above is an estimate of the cost incurred by each team enabling the above charitable activities and is a percentage of team costs.

**6 Projects & Grants –****Permanent Projects**

|                        |                             | £             |
|------------------------|-----------------------------|---------------|
| Ethiopia               | Nekemte school for the deaf | 37,262        |
| France/Belgium/Germany | Interaction                 | 12,985        |
| Gambia                 | Gambia Smile House          | 3,021         |
|                        |                             | <u>53,268</u> |

**Notes to the financial statements****for the year ended 31 December 2020 (continued)****Projects & Grants – Cont'd****Crosslinks Indigenous Projects (Grants)**

|          |                                   | £      |
|----------|-----------------------------------|--------|
| Latvia   | Pardaugava, reformed Church       | 24,719 |
| Serbia   | Project Timothy                   | 17,719 |
| Rwanda   | Discipling the Next Generation    | 16,794 |
| Kenya    | Gracepoint Youth Worker           | 15,214 |
| Kenya    | Marsabit Youth Worker             | 11,373 |
| Nigeria  | Abuja Bible College               | 10,436 |
| India    | Education for Liberation          | 10,207 |
| Cuba     | Equipo Impacto                    | 7,894  |
| Chile    | ICR Vitacura Replant              | 6,849  |
| Zambia   | Proclamation Institute Zambia     | 6,794  |
| Pakistan | Zarepath Bible College            | 5,246  |
| Kenya    | IServe Africa                     | 4,371  |
| Ethiopia | Indigenous Evangelism and Renewal | 3,391  |
| Chile    | Ceron, Cristobal                  | 2,847  |
| Nigeria  | Iwuagwu, Ezech                    | 2,103  |

**145,957**

Others

**3,347****202,572**

(In addition to the support of Mission Partners and Associate Mission Partners, the following payments were made in 2020 for project activities listed below, all covered by designated income.

**Associate Mission Partners Projects**

|              |                       | £             |
|--------------|-----------------------|---------------|
| South Africa | Buchanan, Hope Church | 50,746        |
| Thailand     | Hume, The Centre      | 7,373         |
|              |                       | <b>58,119</b> |

**Mission Partners Projects**

|              |                                     | £      |
|--------------|-------------------------------------|--------|
| Italy        | Oden, Gospel Worker                 | 29,510 |
| Gambia       | Algeo, Bible School Building        | 27,417 |
| Ethiopia     | Maunsell, Hazel Literature Ministry | 23,713 |
| Argentina    | Walker, Jony and Jenny Bertin       | 16,108 |
| Italy        | Aranzulla, Project Fund             | 11,046 |
| Sweden       | Watson, Equiped Sweden              | 10,299 |
| Kenya        | Mahiani – St Jullians               | 7,535  |
| Gambia       | Algeo – Sow Student Fund            | 6,656  |
| SE Asia      | Watkinson SBT Support Fund          | 5,105  |
| Uganda       | Howles, UMS Ministry                | 5,065  |
| Kenya        | Mwangi – TransformD                 | 3,819  |
| Uganda       | Howles, UMS Building                | 3,219  |
| South Africa | Williamson, Hillbrow Gospel Worker  | 2,816  |

**152,308****Schools of Biblical Training**

|        |            | £            |
|--------|------------|--------------|
| Uganda | Uganda UMS | 8,968        |
|        |            | <b>8,968</b> |

**BEST**

|          |                          | £     |
|----------|--------------------------|-------|
| Kenya    | Kimani, Peter Njoroge SP | 9,027 |
| Kenya    | Cyprian, Patrick Bundi   | 6,995 |
| Tanzania | Danford, Emanuel         | 5,186 |
| Moldova  | Chisari, Mihai           | 3,794 |



**Notes to the financial statements**

**for the year ended 31 December 2019 (continued)**

**Projects & Grants – cont'd**

|              |                            | £     |
|--------------|----------------------------|-------|
| Zambia       | Mbewe, Naomi               | 3,748 |
| DR Congo     | Mbolela, Michee            | 2,813 |
| Zimbabwe     | Chipurupuru, Wilma         | 2,527 |
| Zambia       | Hanjali, Clemore           | 2,452 |
| South Africa | Mgwebi, Mthuluzeli SP      | 2,423 |
| South Africa | Mhlenti, Mziwanele         | 2,388 |
| South Africa | Mlambo, Nkosingiphile      | 2,212 |
| Namibia      | Olles, Wilko               | 2,212 |
| South Africa | Sims, Quentin              | 2,212 |
| South Africa | Kleinhans, David           | 2,212 |
| Zambia       | Mumbi, Cecilia SP          | 2,210 |
| Togo         | Gmabe, Daniel SP           | 2,192 |
| Kenya        | Wathituni, Benjamin Kibara | 2,182 |
| Argentina    | Tolley, Jacqueline SP      | 2,122 |
| Chile        | Aguilera, Pablo            | 2,035 |
| Chile        | Perez, Cristian            | 2,011 |
| Tanzania     | Chandugu, Rehema SP        | 1,994 |
| Kenya        | Nyongesa, Fidel            | 1,692 |
| South Africa | Yiege, David               | 1,527 |
| Rwanda       | Manirafasha, Innocent SP   | 1,520 |
| Hungary      | Toth, Krisztian            | 1,132 |
| Tanzania     | Kasyome, Zerida            | 1,128 |

**71,946**

**Others**

Payments of £1000 or less

**9,676**

**301,017**

**7 Administration costs allocation**

|                                                  | Mission<br>Personnel<br>Team<br>£ | The Hub<br>£   | Mission<br>Partnership<br>Team<br>£ | Ireland<br>Team<br>£ | 2020<br>Admin<br>Costs<br>£ | 2019<br>Admin<br>Costs<br>£ |
|--------------------------------------------------|-----------------------------------|----------------|-------------------------------------|----------------------|-----------------------------|-----------------------------|
| Salaries and pensions                            | 294,996                           | 196,174        | 220,652                             | 190,947              | 902,769                     | 992,825                     |
| Office expenses & other costs                    | 7,779                             | 177,135        | 2,562                               | 13,505               | 200,981                     | 217,679                     |
| Governance Costs                                 | -                                 | 12,647         | -                                   | -                    | 12,647                      | 18,815                      |
| Communication costs                              | -                                 | -              | 31,560                              | 37                   | 31,597                      | 41,783                      |
| <b>Total Expenditure by Teams</b>                | <b>302,775</b>                    | <b>385,956</b> | <b>254,774</b>                      | <b>204,489</b>       | <b>1,147,994</b>            | <b>1,271,102</b>            |
| Less: Costs of raising funds<br>(Note 4)         | -                                 | -              | (101,910)                           | (38,889)             | (140,799)                   | (154,435)                   |
| Less: Costs relating to Building<br>Partnerships | (242,220)                         | (77,191)       | (127,387)                           | (121,737)            | (568,536)                   | (624,449)                   |
| Less: Central Support Fees                       | -                                 | (252,755)      | -                                   | -                    | (252,755)                   | (272,779)                   |
| <b>Total Administration Costs</b>                | <b>60,555</b>                     | <b>56,010</b>  | <b>25,477</b>                       | <b>43,862</b>        | <b>185,905</b>              | <b>219,439</b>              |

The total expenditure of the four UK teams is shown above. The administration costs are calculated by removing the costs which relate to the cost of raising funds (Note 4) and building partnerships (Note 5). No trustees were remunerated during the year (2019: None) for their services as trustees.

Audit Fees for 2020 was £ 12,500 plus vat (2019:£ 10,500 plus vat).

**Notes to the financial statements****for the year ended 31 December 2020 (continued)****8 Staff costs**

|                                | 2020<br>£      | 2019<br>£      |
|--------------------------------|----------------|----------------|
| Salaries                       | 705,446        | 779,143        |
| Social security costs          | 72,112         | 77,434         |
| Pension contributions (C of E) | 125,211        | 136,248        |
|                                | <u>902,769</u> | <u>992,825</u> |

| Staff numbers | 2020      |           | 2019      |           |
|---------------|-----------|-----------|-----------|-----------|
|               | Full time | Part time | Full time | Part time |
| Partnership   | 4         | -         | 6         | -         |
| Personnel     | 5         | 1         | 5         | 1         |
| Ireland       | 2         | 2         | 4         | 1         |
| Hub           | 7         | -         | 5         | -         |
|               | <u>18</u> | <u>3</u>  | <u>20</u> | <u>2</u>  |

In addition there are 71 (2019: 76) Mission Partners and 39 (2019: 49) Associate Mission Partners for whom the charity is responsible.

One (1) employee was paid at a rate between £60k -£70k in 2020. One employee was made redundant in the year. The employee received £ 4,200 in redundancy payment.

The key management personnel of the Charity comprise the Team Leaders (5) and the Accountant whose Employee benefits total £280,909 (2019: £ 284,028).

**9 Fixed assets**

| Cost or valuation     | Freehold property<br>£ | Furniture and equipment<br>£ | Total<br>£       |
|-----------------------|------------------------|------------------------------|------------------|
| At 1 January 2020     | 1,944,031              | 44,486                       | 1,988,517        |
| Additions             | -                      | 3,792                        | 3,792            |
| Revaluation           | 777,856                | -                            | 777,856          |
|                       | <u>2,721,887</u>       | <u>48,278</u>                | <u>2,770,165</u> |
| At 31 December 2020   |                        |                              |                  |
| <b>Depreciation</b>   |                        |                              |                  |
| At 1 January 2020     | 138,106                | 28,377                       | 166,483          |
| Charge for the year   | 28,781                 | 8,001                        | 36,782           |
|                       | <u>166,887</u>         | <u>36,378</u>                | <u>203,265</u>   |
| At 31 December 2020   |                        |                              |                  |
| <b>Net book value</b> |                        |                              |                  |
| At 31 December 2020   | 2,555,000              | 11,900                       | 2,566,900        |
|                       | <u>1,805,925</u>       | <u>16,109</u>                | <u>1,822,034</u> |
| At 31 December 2019   |                        |                              |                  |

The historical cost of the freehold property shown above was £1,269,427 (2019: £1,265,635).

The building element of freehold properties is written off on a straight line basis over 50 years. Furniture and equipment is depreciated at 15% per annum on a reducing balance basis or 20% per annum on cost depending upon the estimated useful life of the assets.

The properties are due for revaluation this year on the basis of open market value. The properties were not found to be impaired.

**Notes to the financial statements****for the year ended 31 December 2020 (continued)****10 Investments**

|                                                 | <b>2020</b>    |                     | <b>2019</b>    |                     |
|-------------------------------------------------|----------------|---------------------|----------------|---------------------|
|                                                 | <b>Cost</b>    | <b>Market value</b> | <b>Cost</b>    | <b>Market value</b> |
|                                                 | <b>£</b>       | <b>£</b>            | <b>£</b>       | <b>£</b>            |
| Listed on the Stock Exchange                    | 882,348        | 1,001,673           | 454,160        | 516,928             |
| Cash held as part of the investment portfolio   | 10,050         | 10,050              | 404,944        | 404,944             |
| Cash Held in Charities Official Investment Fund | 1,749          | 1,749               | -              | -                   |
|                                                 | <u>894,147</u> | <u>1,013,472</u>    | <u>859,104</u> | <u>921,872</u>      |

**Movement in Investments during the year**

|                                 | <b>2020</b>      | <b>2019</b>    |
|---------------------------------|------------------|----------------|
|                                 | <b>£</b>         | <b>£</b>       |
| Value at 1 January              | 921,872          | 512,311        |
| Additions of listed investments | 473,658          | 325,049        |
| Disposals of listed investments | (76,444)         | (348,568)      |
| Movement in cash                | (393,145)        | 161,173        |
| Loss on investments             | 87,531           | 55,741         |
| Disposal of Property            | -                | 216,166        |
| Value at 31 December            | <u>1,013,472</u> | <u>921,872</u> |

Included in the portfolio is the following investment which represents more than 5% of the total value of the portfolios.

|                                  | <b>2020</b>         | <b>2019</b>         |
|----------------------------------|---------------------|---------------------|
|                                  | <b>Market value</b> | <b>Market Value</b> |
|                                  | <b>£</b>            | <b>£</b>            |
| Baillie Gifford American W1 DIS  | 75,848              | -                   |
| Vanguard Inv UK LT US Equity IDX | 69,277              | -                   |

**11 Debtors**

|                | <b>2020</b>    | <b>2019</b>    |
|----------------|----------------|----------------|
|                | <b>£</b>       | <b>£</b>       |
| Accrued Income | 300,031        | 236,340        |
| Prepayments    | 30,346         | 143,442        |
| Other debtors  | 1,893          | 389            |
|                | <u>332,270</u> | <u>380,171</u> |

Accrued income includes legacies of £191K (2019: £118K).

**12 Current Asset - Investment**

|                                    | <b>Property held for sale</b> |
|------------------------------------|-------------------------------|
|                                    | <b>£</b>                      |
| Valuation                          |                               |
| At 1 January 2020                  | 493,514                       |
| Revaluation of Investment Property | (8,540)                       |
| <b>At 31 December 2020</b>         | <b><u>484,974</u></b>         |

The freehold properties and the investments were registered in the name of Crosslinks which held them as bare trustee prior to 1<sup>st</sup> January 2017. The valuation above is the property Clonkeen Grove, which was sold in 2021.



**Notes to the financial statements****for the year ended 31 December 2020 (continued)****13 Creditors**

|                  | <b>2020</b>    | <b>2019</b>    |
|------------------|----------------|----------------|
|                  | <b>£</b>       | <b>£</b>       |
| Social Security  | 21,691         | 27,533         |
| Accrued expenses | 84,628         | 150,177        |
|                  | <u>106,319</u> | <u>177,710</u> |

**14 Pensions**

Crosslinks has participated in the following 6 separate pension schemes, 5 of which are within the Church Workers Pension Fund (CWPF) of the Church of England Pension Board (CEPB).

**a. Crosslinks CWPF Pension Builder Classic scheme, for all current lay UK staff and Mission Partners**

This Scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of Crosslinks and the other participating employers.

The Pension Builder Classic scheme provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of this scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable. (2020: £ 387,806, 2019: £ 364,333)

A valuation of the scheme is carried out once every three years. The most recent scheme valuation was carried out as at 31 December 2016. A valuation as at 31 December 2019 was under way as at 31 December 2020.

All current and future lay UK staff and Mission Partners are invited to join this scheme.

Contributions are calculated on the basis of 20% of National Minimum Stipend for Mission Partners and 20% of salary for UK staff.

**At 31 December 2020 Crosslinks had 68 (2019: 69) active members of the CEPB Pension Builder Scheme.**

**b. Crosslinks Church of England Pensions Scheme for clergy, whether UK Staff or Mission Partners or Associate Mission Partners.**

Crosslinks participates in this scheme by virtue of its membership of the Partnership for World Mission (PWM), a network of historical Church of England Mission Agencies.

Under the terms of the PWM agreement, there is a statutory requirement under the Pension Measure 1997 that the Church Commissioners are required to meet the pension costs of clergy employed by Church of England members of PWM.

**At 31<sup>st</sup> December 2020 there were 17 (2019: 23) Crosslinks clergy who benefited from this provision at no cost to Crosslinks.**

**Notes to the financial statements****for the year ended 31 December 2020 (continued)****c. Crosslinks Unfunded Pension Scheme (Closed)**

Crosslinks has made pension payments of £ 55,377 (2019: £ 63,614) to former UK staff and mission partners which are not funded by the arrangements with The Church of England Pension Board. As at 31 December 2020 the liability for the pensions is estimated by the society's actuary, First Actuarial at £ 741,000 (2019: £ 811,300) and this has been provided in full. The overall liability decreased by £ 70,300 in the year (2019: decreased £ 126,200).

The main assumptions used in the valuation of this liability are the discount rate applied and the annual increase in the CPI. The discount rate was estimated at 1.2% (2019: 1.15%) for the year. The annual increase in the CPI has been estimated at 1.7% per annum for 2020 and 1.7% thereafter.

|                                     | 2020           | 2019           |
|-------------------------------------|----------------|----------------|
|                                     | £              | £              |
| Provision for pensions at 1 January | 811,300        | 937,500        |
| Payment in the year                 | (55,376)       | (63,614)       |
| (Decrease)in provision for the year | (14,924)       | (62,586)       |
|                                     | <u>741,000</u> | <u>811,300</u> |

This represents the trustees' estimate of the discounted value of future liabilities for unfunded pension payments for the 26 current pensioners in payment. The provision relates to the potential liability to members and former members of the BCMS 1972 Retirement Pension Scheme, including those who also joined the Scottish Amicable scheme in 1983. Within these numbers adjustments have been made for 15 pensioners who have waived these pensions from Crosslinks for the benefit of Crosslinks. We are very grateful to these individuals for their support of the Society in this way.

There is also 1 further individual identified as a prospective unfunded pensioner and provision has been made for their possible future pension liability.

**d. Crosslinks CWPf lay UK Staff and Mission Partners Defined benefit Scheme (Closed)**

Crosslinks participates in the Defined Benefits Scheme section of CWPf for both lay UK staff and Mission staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of Crosslinks and the other participating employers.

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for both lay UK staff and Mission Staff, based on final pensionable salaries.

For funding purposes, the DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. They do not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

It is not possible to attribute the scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102 and as such contributions are accounted for as if the Scheme were a defined contribution scheme.

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of the DBS is carried out once every three years, the most recent having been carried out as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £2.6m and £2.6m was notionally transferred from the employers' sub-pools to the Life Risk Pool. This increased the Employer contributions that would otherwise have been payable. The overall deficit in the DBS was £26.2m.



**Notes to the financial statements****for the year ended 31 December 2020 (continued)**

**Lay UK Staff.** The pensions costs charged to the SoFA in the year contributions are payable towards benefits and expenses accrued in that year (2020: £8,800, 2019: £8,800), plus any impact of deficit contributions (see below), giving a total charge of £21,200 for 2020 (2019: £25,200).

Following the December 2016 valuation, Crosslinks has entered into an agreement with the Church Workers Pension Fund to pay expenses of £8,800 per year. In addition deficit payments of £34,386 per year have been agreed for 10 years from 1 April 2018 in respect of the shortfall in the Employer sub-pool. This obligation has been recognised as a liability within the Employer's financial statements. Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability (see below).

|                                                                      | 2020<br>£ | 2019<br>£ |
|----------------------------------------------------------------------|-----------|-----------|
| Balance sheet liability at 1 January                                 | 266,000   | 284,000   |
| Deficit contribution paid                                            | (34,000)  | (34,000)  |
| Interest cost (recognised in SoFA)                                   | 3,000     | 6,000     |
| Remaining change to the balance sheet liability*(recognised in SoFA) | 9,000     | 10,000    |
| Balance sheet liability at 31 December                               | 244,000   | 266,000   |

\* Comprises change in agreed deficit recovery plan and change in discount rate between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

|               | December 2020 | December 2019 | December 2018 |
|---------------|---------------|---------------|---------------|
| Discount rate | 0.50%         | 1.40%         | 2.3%          |

**Lay Mission Staff.** The pensions costs charged to the SoFA in the year contributions are payable towards benefits and expenses accrued in that year (2020: £24,200, 2019: £24,200), plus any impact of deficit contributions (see below), giving a total charge of £66,900 for 2020 (2019: £81,900).

Following the December 2016 valuation, Crosslinks has entered into an agreement with the Church Workers Pension Fund to pay expenses of £24,200 per year. In addition deficit payments of £116,664 per year have been agreed for 10 years from 1 April 2016 in respect of the shortfall in the Employer sub-pool. This obligation has been recognised as a liability within the Employer's financial statements. Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out below:

|                                                                      | 2020<br>£ | 2019<br>£ |
|----------------------------------------------------------------------|-----------|-----------|
| Balance sheet liability at 1 January                                 | 903,000   | 962,000   |
| Deficit contribution paid                                            | (117,000) | (117,000) |
| Interest cost (recognised in SoFA)                                   | 12,000    | 21,000    |
| Remaining change to the balance sheet liability*(recognised in SoFA) | 31,000    | 37,000    |
| Balance sheet liability at 31 December                               | 829,000   | 903,000   |

\* Comprises change in agreed deficit recovery plan and change in discount rate between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

|               | December 2019 | December 2018 | December 2017 |
|---------------|---------------|---------------|---------------|
| Discount rate | 0.50%         | 1.40%         | 2.30%         |

**At 31<sup>st</sup> December 2020 there were 71 (2019: 71) lay UK Staff and Mission Staff pensioners and 154 (2019:154) deferred pension members in the Fund.**



**Notes to the financial statements****for the year ended 31 December 2020 (continued)****e. Crosslinks Unfunded Pension Scheme (CEFPS)**

Crosslinks participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2020: **£3,000**, 2019: **£ -**).

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2019 and over 2020 is set out in the table below.

|                                        | 2020    | 2019 |
|----------------------------------------|---------|------|
|                                        | £       | £    |
| Provision for pensions at 1 January    | -       | -    |
| Payments in the year                   | (3,000) | -    |
| Remaining charge to the Balance Sheet  | 7,000   | -    |
| Balance sheet liability at 31 December | 4,000   | -    |

|               | December 2020 | December 2019 | December 2018 |
|---------------|---------------|---------------|---------------|
| Discount rate | 0.20%         | 1.10%         | 2.10%         |

**At 31<sup>st</sup> December 2020 there was 1 (2019: -) member in the fund. The legal structure of the scheme is such that if another Responsible Body fails (Christchurch Durham), Crosslinks could become responsible for paying a share of that Responsible Body's pension liabilities.**

The combined overall liability of the two closed Defined schemes decreased by £ 96,000 in the year.

|                                              | 2020      | 2019      |
|----------------------------------------------|-----------|-----------|
|                                              | £         | £         |
| C of E pension Liability at 1 January        | 1,169,000 | 1,246,000 |
| Payment in the year                          | (184,051) | (184,051) |
| Increase in Liability at Triennial Valuation | 88,051    | 107,051   |
| CEFPS                                        | 4,000     | -         |
|                                              | 1,077,000 | 1,169,000 |

**15 Restricted funds**

|                                | Karamoja | Mission Partner Projects | Associate Mission Partners | Total     |
|--------------------------------|----------|--------------------------|----------------------------|-----------|
|                                | £        | £                        | £                          | £         |
| Funds at 1 January 2020        | 82,283   | 116,256                  | 219,716                    | 418,255   |
| Income                         | 2,199    | 136,187                  | 260,020                    | 398,406   |
| Expenditure                    | (774)    | (96,160)                 | (322,817)                  | (419,751) |
| Loss on investment             | 8,660    | -                        | -                          | 8,660     |
| Transfers between funds        | -        | 12,989                   | (1,299)                    | 11,690    |
| Balance as at 31 December 2020 | 92,368   | 169,272                  | 155,620                    | 417,260   |

The Karamoja fund represents donations received to fund lump sum payments to Ugandan pastors on retirement within the two Karamoja dioceses. Mission Partner Project funds comprise some 17 (2019: 16) individual funds. These funds represent appeals made by Crosslinks for specific projects controlled by the Mission Partner for specific restricted purposes. Associate Mission Partners funds are funds for which Crosslinks acted in a trustee capacity.

**Notes to the financial statements****for the year ended 31 December 2020 (continued)****16 Unrestricted funds**

|                                           | <b>2020</b>      | <b>2019</b>      |
|-------------------------------------------|------------------|------------------|
|                                           | <b>£</b>         | <b>£</b>         |
| Funds at 1 January                        | 1500,001         | 1,124,176        |
| Income                                    | 3,197,709        | 3,645,094        |
| Expenditure                               | (3,175,034)      | (3,395,431)      |
| Asset revaluation(Property)               | 777,856          | 123,543          |
| Gain on investments                       | 78,871           | 47,084           |
| Revaluation in unfunded pension liability | 14,924           | 62,586           |
| C of E Pension revaluation                | (92,051)         | (107,051)        |
| Transfer between funds                    | (11,690)         | -                |
| Funds at 31 December                      | <u>2,290,586</u> | <u>1,500,001</u> |

**17 Allocation of net assets between funds**

|                                 | <b>Restricted</b> | <b>Unrestricted</b> | <b>2020</b>      | <b>2019</b>      |
|---------------------------------|-------------------|---------------------|------------------|------------------|
|                                 |                   |                     | <b>Total</b>     | <b>Total</b>     |
|                                 | <b>£</b>          | <b>£</b>            | <b>£</b>         | <b>£</b>         |
| Tangible fixed assets           | -                 | 2,566,900           | 2,566,900        | 1,822,034        |
| Investments                     | 92,368            | 921,104             | 1,013,472        | 921,872          |
| Net current assets              | 324,892           | 620,582             | 945,474          | 1,154,650        |
| Unfunded Pension Provision      | -                 | (741,000)           | (741,000)        | (811,300)        |
| C of E Provision                | -                 | (1,077,000)         | (1,077,000)      | (1,169,000)      |
| Total funds at 31 December 2020 | <u>417,260</u>    | <u>2,290,586</u>    | <u>2,707,846</u> | <u>1,918,256</u> |

**18 Other Financial Commitments**

|                          | <b>2020</b> | <b>2019</b> |
|--------------------------|-------------|-------------|
|                          | <b>£</b>    | <b>£</b>    |
| Operating leases         |             |             |
| Expires within 2-5 years | <u>904</u>  | <u>904</u>  |

**19 Related Party Transactions**

A number of Trustees and senior staff were Trustees of Churches and/or organisations who made donations to Crosslinks during the year. A total of £ 2,620 was received.

A total of £ 332 (2019: £ 3,627) was reimbursed to 12 (2019: 12) trustees to cover out of pocket expenses, mainly travelling to trustee meetings.

A total of £ 15,026 (2019:£ 12,700) was donated to the charity by Trustees and senior management team.

**20 Statement of cash flows reconciliation**

|                                                             | <b>2020</b>             | <b>2019</b>             |
|-------------------------------------------------------------|-------------------------|-------------------------|
|                                                             | <b>£</b>                | <b>£</b>                |
| Net income before other recognised gains and transfers      | 88,861                  | 400,599                 |
| Investment (gain)                                           | (87,531)                | (55,742)                |
| Investment income                                           | (11,754)                | (13,653)                |
|                                                             | <u>(10,424)</u>         | <u>331,204</u>          |
| Depreciation                                                | 36,782                  | 42,972                  |
| Decrease in debtors                                         | 47,901                  | (69,374)                |
| Increase in creditors                                       | (71,391)                | 52,196                  |
| Pension payment for CofE scheme                             | (184,051)               | (184,051)               |
| Pension payment for unfunded liability                      | (55,376)                | (63,614)                |
| <b>Net cash (outflow)/ inflow from operating activities</b> | <u><b>(236,559)</b></u> | <u><b>(109,333)</b></u> |

**21 Movement in Cash**

|                       | <b>2020</b>      | <b>2019</b>    |
|-----------------------|------------------|----------------|
|                       | <b>£</b>         | <b>£</b>       |
| <b>At 01 January</b>  | <b>458,675</b>   | <b>159,997</b> |
| <b>Movement</b>       | <b>(224,126)</b> | <b>298,678</b> |
| <b>At 31 December</b> | <b>234,549</b>   | <b>458,675</b> |



## **Acknowledgements**

---

The mission work of Crosslinks is based on cooperation and partnerships with our many Churches, Members, Individuals and Trusts. We would like to thank those who have been in gospel partnership with us throughout 2018.

### **Churches**

We would like to thank the various partner churches who continue to support Crosslinks, through their support for a Mission Partner or a particular Means of Mission. We would also like to thank those churches who contribute towards the central support costs of the society.

### **Members**

Crosslinks would like to thank its membership for their continuing support both spiritually and financially. Without this membership the mission society would not survive so we are grateful to them.

### **Legacies**

We continue to give thanks to the Lord for providing for Crosslinks in this way. We are very grateful to all those who have chosen to leave legacies to Crosslinks in the last year.

### **Trusts**

We would like to thank the Trusts who have given so generously to Crosslinks.

